

Copy No.

CENTRAL INTELLIGENCE AGENCY ACT

AMENDMENTS OF 1963



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CENTRAL INTELLIGENCE AGENCY ACT

AMENDMENTS OF 1963

C O N T E N T S

Explanation and Justification (~~SECRET~~)

Appendix I. Sectional Analysis and Explanation

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CENTRAL INTELLIGENCE AGENCY ACT AMENDMENTS OF 1963
EXPLANATION AND JUSTIFICATION

PART A. PURPOSE OF PROPOSED BILL

1. Improved Retirement System

The proposed bill permits the Agency to improve its retirement program by authorizing the establishment of a retirement system corresponding to that of the Foreign Service. The Central Intelligence Agency needs to attract and retain a force of highly motivated careerists who are intensively trained in unique skills. However, the Agency is unable in fact to provide full-term careers for many individual officers. In order to minimize the adverse effects of necessary programs of managed attrition and to preserve its ability to recruit and retain the high-caliber personnel it needs, the Agency must make reasonable provision for the futures of those individuals who must be separated before completing a full-term career of thirty or so years. Therefore, the proposed bill adds a new Title II to the Central Intelligence Agency Act of 1949, as amended, which establishes for a limited number of Agency employees a retirement and disability system corresponding to that established for persons serving in the Foreign Service of the Department of State.

2. Other Provisions

Section 4 of the Central Intelligence Agency Act was originally drafted to extend to Agency employees serving abroad travel expenses and overseas allowances similar to those extended to Foreign Service personnel. Section 2 of the proposed bill makes appropriate modifications in Section 4 of the Central Intelligence Agency Act to bring it up to date in this regard. Also included are certain other amendments which have been determined to be necessary.

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PART B. PROPOSED RETIREMENT SYSTEM

1. Need for a Separate Retirement System for Certain Employees

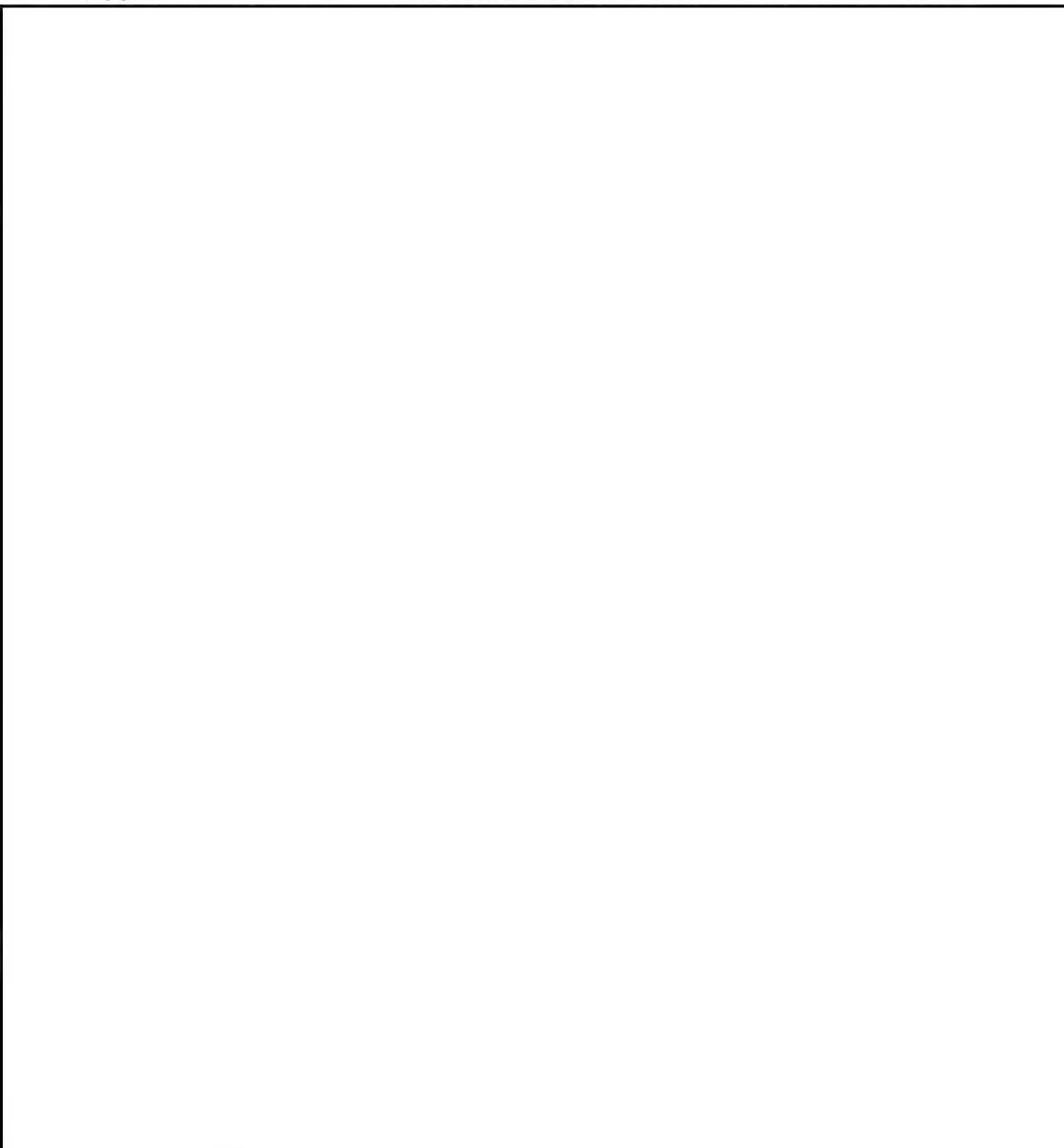
a. Summary

All regular employees of the Central Intelligence Agency are at present covered by the provisions of the Civil Service Retirement Act. Such coverage is appropriate for those whose conditions, obligations, and terms of service are comparable to those of federal employees generally. However, the Agency has a serious problem in its need to make more adequate provision for certain of its employees who should be retired at an earlier age and with a more equitable annuity than can be provided under the Civil Service Retirement Act. This need stems from the fact that the Agency cannot provide to or expect from many individuals in its service a full-term working career of thirty or so years.

b. Background

(1) The nature of the Agency's mission requires people who are highly motivated and who develop unique and specialized abilities through their continuing training and service over the years. A substantial proportion of Agency personnel accept, as do members of the military service, the obligation to serve anywhere in the world at the Agency's direction--not at their own will--and to be available for duty on a 24-hour-a-day basis. Further, the stresses and strains of uneven and uncertain hours of work, of duty in unhealthful locations, and of arduous assignments require people who have a high degree of vigor, vitality, endurance, resilience, and adaptability.

(2) Despite the saying that "no man can serve two masters," this is the very essence of clandestine operations. An Agency operator has two jobs: his cover job and his Agency job. Not only does he have two jobs, he leads two lives; and the physical strain of dual employment is compounded by the emotional tension of living a lie day in and day out. He lives under the constant hazard of exposure and must work convincingly at his cover job even while pulled in the opposite direction by his Agency job. This problem is aggravated at times, for instance when a crisis in his area increases the amount and urgency of his Agency tasks, while his cover duties are in no way diminished. Sometimes the cover job is not very exacting, but sometimes it is a full-time job.



(5) There are other factors pertaining to the individuals themselves which, over the years, limit their ability and desire to continue in overseas service.

(a) Our experience has shown that many officers or members of their families will in time incur physical impediments which limit or preclude their further assignment overseas. The extreme climates and inferior medical facilities of many foreign areas make living abroad less healthful than in the United States. Also, Americans, because of the advances of sanitation and public health in this country, have failed to

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develop the natural immunities which most foreigners develop. Consequently, Americans are more susceptible than local inhabitants to the diseases of an area.

(b) The wear and tear of repeated illness saps an individual's strength and resilience and affects his longevity. Moreover, ills which an employee encounters in one place often attach themselves permanently as chronic and sometimes disabling conditions. This contributes to the need for the earlier retirement provisions now proposed.

(c) Finally, there is "motivational exhaustion." This term is used to describe a gradual lessening of interest and enthusiasm of an officer as a result of impingements on his personal and family life. These stem from the transient nature of his assignments, the complications and restrictions of security requirements, and intrusions on his family life occasioned by the requirement that he spend his apparent "leisure time" in performing his Agency duties after completing his cover work-day.

(6) The dynamic nature of intelligence work produces sudden and sometimes radical shifts in the types of personnel required and in their deployment. For example, the Agency's responsibility for covert cold war functions requires that much of its effort be directed to troubled areas, wherever they may be. Civil troubles often bring about a retrenchment of activity on the part of other U.S. Government agencies, but a reorientation and intensification of that of the Agency. Completion of a mission of a temporary nature or a shift in emphasis or direction of operations may result in an excess of officers who are skilled in a relatively narrow field. Their primary qualifications thus become obsolete or unneeded and they become "occupationally surplus."

c. Manpower Control

(1) The Agency finds it increasingly

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